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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: Chapter 11
OMC, INC. Case No. 10-14864 (JMG)

Debtor.

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DECLARATION OF MICHAEL CHECCHI PURSUANT TO LOCAL RULE 1007-2

MICHAEL CHECCHI, being duly sworn, deposes and says:

1. I am the President of OMC, Inc. (the "Debtor"), and I submit this declaration pursuant to Rule 1007-2 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York.

BACKGROUND

2. Since 1986, the Debtor has been and continues to be a leading provider of subcontracting services in the commercial heating ventilation and air conditioning ("HVAC") industry. The Debtor provides several HVAC services for its general contractors, including drafting, fabrication and installation of sheet metal ductwork for commercial buildings. The Debtor principally operates in the New York Metropolitan area, and is located at 4010 Park Avenue, Bronx, New York 10457.

3. The Debtor has very experienced team of employees, currently totaling forty-four (44),

many of which have been employed by the Debtor for over twenty years. In addition, I have personally been working in the HVAC industry for over forty-one years.

4. The Debtor grew substantially from its inception up until about 2007, when the Debtor like many other companies dependent on a robust construction industry realized a substantial decrease in business. The Debtor's revenues have decreased from approximately \$25,000,000 in 2007 to \$13,000,000 in 2009.

5. Although the Debtor has been struggling to maintain profitability while weathering the severely difficult economic climate, it has made very substantial efforts to lower its overhead by cutting costs, including a portion of its workforce. These cost cutting efforts have enabled the Debtor to minimize its losses, and position itself to thrive as the economy rebounds.

6. Decreased cash flow rendered the Debtor unable to continue to pay the majority of its employee benefits, many of whom are union employees, in the ordinary course of business. From August 2007 to February 2009, the Debtor accrued approximately \$4,000,000 in unpaid union liabilities to the Local 28 Sheet Metal Workers Union (the "Union"), and an additional \$1,000,000 to National Pension Funds ("National"). To accommodate the Union, and avoid a bankruptcy filing, the Debtor made several attempts to enter into a settlement which would allow the Union to be paid on a going forward basis, with past due amounts repaid over time.

7. Nevertheless, the parties were unable to reach a viable settlement, and the Debtor was forced to file this chapter 11 case to avoid the potential irreparable harm that would result from a Union strike.

8. The Debtor intends to utilize the bankruptcy process in order to restructure and reorganize its affairs, and specifically to restructure its outstanding liabilities to the Union. To the extent possible, alleviating a large portion of the Debtor's liabilities through chapter 11 would give

it the fresh start it needs to thrive in a less robust economy.

9. The Debtor further believes that the bankruptcy process will provide breathing room from its creditors so that focus can be placed on increasing sales. With the help of counsel, the Debtor can restructure its affairs and propose a plan of reorganization that it is in the best interests of its creditors and affords them the greatest recovery possible.

10. The interests of the Debtor's creditors will best be served by the continued possession of its property and management of its affairs as debtor-in-possession pursuant to Chapter 11 until confirmation of a reorganization plan.

INFORMATION REQUIRED BY LOCAL BANKRUTPCY RULE 1007

11. In addition to the foregoing, Local Bankruptcy Rule 1007-2 requires certain information related to the Debtor, which is set forth below.

Local Rule 1007-2(a)(1)

12. The Debtor is located at 4010 Park Avenue, Bronx, New York 10457, and is engaged in the HVAC industry.

Local Rule 1007-2(a)(2)

13. This case was not originally commenced under Chapter 7 or 13 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.*, as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005.

Local Rule 1007-2(a)(3)

14. Upon information and belief, no committee was organized prior to the order for relief in this Chapter 11 case.

Local Rule 1007-2(a)(4)

15. A list of the names and addresses of the Debtor's 20 largest unsecured claims,

excluding those who would not be entitled to vote at a creditors' meeting and creditors who are "insiders" as that term is defined in 11 U.S.C. Section 101(31) is annexed hereto as **Schedule I**.

Local Rule 1007-2(a)(5).

16. A list of the names and addresses of the five largest secured creditors is annexed hereto as **Schedule II**.

Local Rule 1007-2(a)(6)

17. A balance sheet will be filed separately pursuant to the requirements set forth in 11 U.S.C. § 521(a).

Local Rule 1007-2(a)(7)

18. There are no publicly held securities of the Debtor.

Local Rule 1007-2(a)(8)

19. None of the Debtor's property is in the possession of any custodian, public officer, mortgagee, pledge, assignee of rents, or secured creditor, or any agent for such entity.

Local Rule 1007-2(a)(9)

20. The Debtor owns its premises located at 4010 Park Avenue, Bronx, New York 10457.

Local Rule 1007-2(a)(10)

21. The Debtor's assets, books and records are located at 4010 Park Avenue, Bronx, New York 10457.

Local Rule 1007-2(a)(11)

22. The following action is pending against the Debtor:

- Sheet Metal Workers' National Pension Fund; National Energy Management Institute Committee for the Sheet Metal and Air Conditioning Industry; Sheet Metal Occupational Health Institute Trust; International Training Institute for the Sheet Metal and Air Conditioning Industry; and National Stabilization Agreement of the Sheet Metal Industry Fund v. OMC, Inc. and Michael Checchi, individually, United States District Court Southern District of New York, Civil Action No. 10-cv-0911 (GBD)(THK).

Local Rule 1007-2(a)(12)

23. The Debtor's senior management currently is comprised of Michael Checchi, President.

Local Rule 1007-2(b)(1) and (2)

24. The Debtor's estimated weekly payroll to non-officer employees for the thirty (30) day period following the Chapter 11 petition is \$256,364.33.

25. The Debtor's estimated weekly payroll and payments to officers, stockholders, and directors for the thirty (30) day period following the Chapter 11 petition is \$50,968.67.

Local Rule 1007-2(b)(3)

26. A schedule, for the 30 day period following the filing of the chapter 11 petition, of estimated cash receipts and disbursements is annexed hereto as **Schedule III**.

CONCLUSION

Pursuant to 28 U.S.C. § 1746, I declare under the penalty of perjury that the foregoing is true and correct.

By: /s/ Michael Checchi
Michael Checchi, President

SCHEDULE I

20 largest Unsecured Creditors

See Attached.

United States Bankruptcy Court
Southern District of New York

In re OMC, Inc.

Debtor(s)

Case No.

Chapter

11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

(1) <i>Name of creditor and complete mailing address including zip code</i>	(2) <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	(3) <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	(4) <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	(5) <i>Amount of claim [if secured, also state value of security]</i>
Sheet Metal Workers' Local 28 c/o Barnes Iaccarino, et al 258 Saw Mill River Road Elmsford, NY 10523	Sheet Metal Workers' Local 28 c/o Barnes Iaccarino, et al 258 Saw Mill River Road Elmsford, NY 10523			2,353,302.22
Sheet Metal Workers' Natl Pens c/o Jeffrey S. Dubin, Esq. 464 New York Ave. Ste 100 Huntington, NY 11743	Sheet Metal Workers' Natl Pens c/o Jeffrey S. Dubin, Esq. 464 New York Ave. Ste 100 Huntington, NY 11743			1,352,484.72
Sheet Metal Workers' Local 28 Attn: Marcia Webb 601 N. Fairfax Street Alexandria, VA 22314-2075	Sheet Metal Workers' Local 28 Attn: Marcia Webb 601 N. Fairfax Street Alexandria, VA 22314-2075			622,076.55
Sheet Metal Workers' Local 28 Target Fund 195 Mineola Blvd Mineola, NY 11501	Sheet Metal Workers' Local 28 Target Fund 195 Mineola Blvd Mineola, NY 11501			325,301.07
Standard Tinsmith 355 Irving Avenue Brooklyn, NY 11237	Standard Tinsmith 355 Irving Avenue Brooklyn, NY 11237	Vendor		120,088.80
Sovereign Mechanical 307 7th Avenue New York, NY 10001	Sovereign Mechanical 307 7th Avenue New York, NY 10001	Vendor		119,419.00
Erlin of Long Island, Inc. 857 North Richmond Avenue Lindenhurst, NY 11757	Erlin of Long Island, Inc. 857 North Richmond Avenue Lindenhurst, NY 11757	Vendor		81,137.62
Sheet Metal Workers' Local 28 Promotion Fund 16 Court Street Brooklyn, NY 11241	Sheet Metal Workers' Local 28 Promotion Fund 16 Court Street Brooklyn, NY 11241			76,523.37

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS
 (Continuation Sheet)

(1) <i>Name of creditor and complete mailing address including zip code</i>	(2) <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	(3) <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	(4) <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	(5) <i>Amount of claim [if secured, also state value of security]</i>
Wachovia Bank Attn: Bankruptcy Dept PO Box 13765 Roanoke, VA 24037	Wachovia Bank Attn: Bankruptcy Dept PO Box 13765 Roanoke, VA 24037			62,637.68
CYWIAK & CO. 19 West 44th Street, Ste 606 New York, NY 10036	CYWIAK & CO. 19 West 44th Street, Ste 606 New York, NY 10036	Vendor		55,250.00
Fidelity Investments	Fidelity Investments			53,942.00
Sheet Metal Workers' Local 28 PAP 195 Mineola Blvd Mineola, NY 11501	Sheet Metal Workers' Local 28 PAP 195 Mineola Blvd Mineola, NY 11501			51,289.10
Precision Testing & Balancing 1785 Nereid Avenue Bronx, NY 10466	Precision Testing & Balancing 1785 Nereid Avenue Bronx, NY 10466	Vendor		43,613.00
Capital Hardware 10 Railroad Avenue Closter, NJ 07624	Capital Hardware 10 Railroad Avenue Closter, NJ 07624	Vendor		43,113.10
Airside Products 47-40 Metropolitan Avenue Maspeth, NY 11385	Airside Products 47-40 Metropolitan Avenue Maspeth, NY 11385	Vendor		37,706.54
NY State Insurance Fund Workers Compensation P.O. Box 5262 Binghamton, NY 13902-5262	NY State Insurance Fund Workers Compensation P.O. Box 5262 Binghamton, NY 13902-5262			35,721.46
United Rentals P.O. Box 100711 Atlanta, GA 30384-0711	United Rentals P.O. Box 100711 Atlanta, GA 30384-0711			35,116.74
Enery Metal 47-55 58th Street Woodside, NY 11377	Enery Metal 47-55 58th Street Woodside, NY 11377	Vendor		33,483.22
S.W. Anderson Sales 63 Daniel Street Farmingdale, NY 11735	S.W. Anderson Sales 63 Daniel Street Farmingdale, NY 11735	Vendor		30,513.62
Local 282 Welfare Fund 2500 Marcus Avenue Lake Success, NY 11042	Local 282 Welfare Fund 2500 Marcus Avenue Lake Success, NY 11042	Pension		27,623.20

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS
(Continuation Sheet)

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the President of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date September 15, 2010

Signature /s/ Michael Checchi
Michael Checchi
President

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

SCHEDULE II

Five Largest Secured Creditors

Aurora Bank FSB	27472 Portola Parkway Suite 205 #419 Foothill Ranch, CA 92610	\$1,600,000
Bank of America/ Merrill Lynch	222 North LaSalle St, 17th Fl. Chicago, IL 60601	\$750,000
US Bancorp	P.O. Box 580337 Minneapolis, MN 55458-0337	\$181,600
Navistar	425 N. Markingdale Road Schaumburg, IL 60173	\$88,500
Ford Motor Credit	P.O. Box 220564 Pittsburgh, PA 15257	\$33,275

SCHEDULE III
ESTIMATED 30 DAY RECEIPTS AND DISBURSEMENTS

See attached.

CASH RECEIPTS PROJECTION

BUDGET PROJECTION

FACTORY	WEEKLY	MONTHLY
MATERIAL & HARDWARE		
ALLSTATE INSULATION	\$300.00	\$1,200.00
ANDERSON SALES	\$8,500.00	\$34,000.00
ENERGY HARDWARE	\$500.00	\$2,000.00
BRONX WELDING	\$115.00	\$460.00
COLONIAL STEEL	\$185.00	\$740.00
ENERGY METAL	\$692.00	\$2,768.00
KASS INDUSTRIAL	\$69.00	\$276.00
UNEEDA BOLT & SCREW	\$115.00	\$460.00
MATERIAL & HARDWARE SUB	\$10,476.00	\$41,904.00
DANIELLO/GARBAGE	\$500.00	\$2,000.00
ADT SECURITY	\$84.00	\$336.00
AFA PROTECTION	\$70.00	\$280.00
ALLSTATE SPRIKLER	\$39.00	\$156.00
ANTHONY THOMAS BOILER	\$76.00	\$304.00
ARCH SNOW PLOW	\$75.00	\$300.00
BANNER SALES/DUCT LABELS	\$27.00	\$108.00
BYRNE COMPRESSED AIR	\$47.00	\$188.00
CASTLE HILL ELECTRIC	\$46.00	\$184.00
CHEMSEARCH	\$35.00	\$140.00
EXTERMINARE PEST CONTROL	\$38.00	\$152.00
GRAINGER	\$69.00	\$276.00
HESS OIL/WINTER FUEL	\$615.00	\$2,460.00
MAJOR FIRE CONTROL/EXTINGUISERS	\$19.00	\$76.00
McMASTER CARR	\$23.00	\$92.00
NEW PALACE PAINT	\$12.00	\$48.00
NYC WATER BOARD	\$54.00	\$216.00
U-LINE SUPPLIES	\$54.00	\$216.00
SUB-TOTAL	\$1,883.00	\$7,532.00
SUB-TOTAL FACTORY	\$12,359.00	\$49,436.00
STEEL	WEEKLY	MONTHLY
EQUITABLE		
ERLIN		
STANDARD	\$21,000.00	\$84,000.00
McNICHOLS	\$46.00	\$184.00
SUB-TOTAL	\$21,046.00	\$84,184.00

BUDGET PROJECTION

OFFICE EXPENSES		WEEKLY	MONTHLY
OFFICE CLEANING			
ALPHA & OMEGA		\$75.00	\$300.00
SCRUB CLEAN		\$19.00	\$76.00
TELEPHONE			
AT&T			
SPRINT		\$577.00	\$2,308.00
AVAYA MAINTENANCE		\$65.00	\$260.00
RADIO ACTIVE		\$12.00	\$48.00
VERIZON		\$231.00	\$924.00
MORTGAGE		\$2,493.00	\$9,972.00
BRONX DESIGN/STATIONARY		\$23.00	\$92.00
CABLEVISION		\$15.00	\$60.00
DONNELLY MECH/AC STARTUP		\$35.00	\$140.00
NY BUSINESS MACHINE		\$81.00	\$324.00
FED EX/SHIPPING		\$23.00	\$92.00
NAPCO/BLUEPRINT MATERIAL		\$231.00	\$924.00
SUB-TOTAL		\$3,880.00	\$15,520.00
VEHICLE EXPENSES		WEEKLY	MONTHLY
APPLE AUTO & TRUCK/GAS & REPAIRS		\$700.00	\$2,800.00
CENTRAL PARKING		\$92.00	\$368.00
HANSEL TIRE		\$12.00	\$48.00
NY & NJ EZ PASS		\$577.00	\$2,308.00
NYC PARKING VIOLATIONS		\$46.00	\$184.00
NYS HIGHWAY TAX		\$19.00	\$76.00
SUB-TOTAL		\$1,446.00	\$5,784.00
REPAIRS & MAINTENANCE		WEEKLY	MONTHLY
AQUATHIN		\$31.00	\$124.00
F&J MECHANICAL REPAIR		\$69.00	\$276.00
HADO MACHINERY		\$12.00	\$48.00
SUB-TOTAL		\$112.00	\$448.00

BUDGET PROJECTION

PAYROLL	WEEKLY	MONTHLY
PAYROLL PROCESSING	\$350.00	\$1,400.00
GARNISHMENT	\$225.00	\$900.00
 PAYROLL W/E		
OFFICE/ADMINISTRATIVE	\$8,259.00	\$33,036.00
OFFICER	\$11,762.00	\$47,048.00
UNION(LCL 28 & LCL282)	\$64,980.00	\$259,920.00
 UNIONS		
LOCAL 28		
WEEKLY		
PENSION	\$45,000.00	\$180,000.00
 LOCAL 282		
WEEKLY	\$2,500.00	\$10,000.00
 SUB-TOTAL	\$133,076.00	\$532,304.00
 INSURANCE	WEEKLY	MONTHLY
 WORKERS' COMPENSATION		
THE STATE INSURANCE FUND	\$4,289.00	\$17,156.00
LOVELL SAFETY	\$442.00	\$1,768.00
 GL/COMMERCIAL		
IMPERIAL CREDIT	\$4,297.00	\$17,188.00
 AUTO INSURANCE		
TOWER INSURANCE	\$1,660.00	\$6,640.00
 GUARDIAN - STATE MANDATED DISABILITY	\$169.00	\$676.00
 HEALTHNET	\$444.00	\$1,776.00
HEALTHNET MEDICAL	\$2,123.00	\$8,492.00
 UNUM/LTD	\$173.00	\$692.00
 SUB-TOTAL	\$13,597.00	\$54,388.00

BUDGET PROJECTION

LEASED EQUIPMENT		WEEKLY	MONTHLY
SHED/LJ		\$38.00	\$152.00
SUB-TOTAL		\$38.00	\$152.00
UTILITIES		WEEKLY	MONTHLY
CON ED		\$1,223.00	\$4,892.00
SUB-TOTAL		\$1,223.00	\$4,892.00
PROFESSIONAL LEGAL & ACCOUNTING SERVICES		WEEKLY	MONTHLY
CYWIAK/ACCOUNTANT		\$1,312.50	\$5,250.00
SUB-TOTAL		\$1,312.50	\$5,250.00
COMPUTER SERVICES		WEEKLY	MONTHLY
EAST COAST CAD		\$101.00	\$404.00
FLEXIBLE BUSINESS SYSTEM/MONITORING		\$69.00	\$276.00
LOCKFORMER/UPDATES		\$12.00	\$48.00
LOCKFORMER/MAINTENANCE		\$48.00	\$192.00
SUB-TOTAL		\$230.00	\$920.00
LOANS PAYABLE		WEEKLY	MONTHLY
MERRILL LYNCH (INTEREST ONLY)		\$1,350.00	\$5,400.00
SUB-TOTAL		\$1,350.00	\$5,400.00
TOTAL		\$189,669.50	\$758,678.00